

**First
National
Bank** of
South
Texas

⊕ RIO GRANDE CITY

Mrs. Mildred Lee, Secretary
Interstate Commerce Commission
12 St. & Constitution Ave. Northwest
ATTENTION ROOM 2303

Washington, D.C. 20423

Certified Mail Article Number P 384 285 844 (RRR) ,

18106-A
RECORDED
FILED

Re: Texas Railcar Leasing Company
Lease Agreement Recordation

DEC 1 1993-3 40 PM

November 12, 1993

INTERSTATE COMMERCE COMMISSION

Dear Mrs. Lee:

I am enclosing an Original Lease Agreement (described below) and a Certified Copy of this lease agreement, to be recorded pursuant to section 11303, Title 49 of the U.S. Code:

Master Lease Agreement dated as of the 20th day of November, 1992 (The Agreement), by and between Texas Railcar Leasing Company, A Texas Corporation (Lessor) and PLM Remarketing Services, Inc., A California Corporation (Lessee), and Rider No. 0001 dated as of November 20, 1992, to Master Lease Agreement No. 92/0005, covering the following described property:

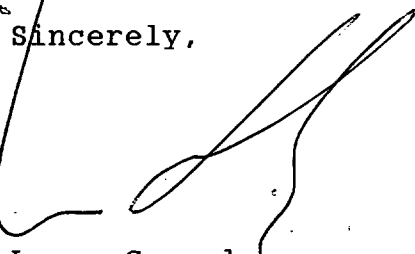
Twenty-six (26) 100 ton, 2929 cubic feet, 3 pocket, Covered Top Hopper Railcars, numbered 5279-5304 (inclusive).

Also enclosed is a check for \$18. for the filing fee to cover the above referenced transaction. After recordation, please return the original documents to:

First National Bank of South Texas
Attention: Larry Gonzalez
Drawer M
Rio Grande City, Texas 78582

Please note that the Original Security Agreement was filed with your office on January 26, 1993, and given recordation number 18106. If you have any questions, please call me at 210-487-5681. Thank you for your assistance in this matter.

Sincerely,



Larry Gonzalez
Executive Vice President

Drawer M, Rio Grande City, TX. 78582 • (210) 487-5681 • 100 N. Britton

RECEIVED
OFFICE OF THE
SECRETARY
DEC 1 3 37 PM '93
LICENSING BRANCH

Interstate Commerce Commission

Washington, D.C. 20423

12/2/93

OFFICE OF THE SECRETARY

Larry Gonzalez

Executive Vice President

First National Bank Of South Texas

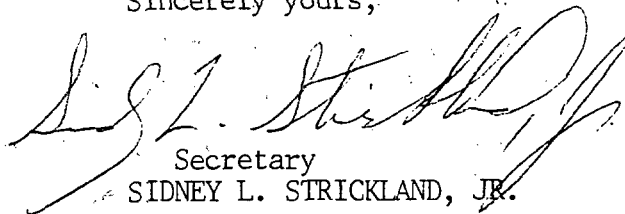
Drawer M.

Rio Grande City, Texas 78582

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions
of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303,
on **12/1/93** at **3:40pm**, and assigned
recordation number(s). **18106-A**

Sincerely yours,



Secretary
SIDNEY L. STRICKLAND, JR.

Enclosure(s)

214-16

COLLATERAL ASSIGNMENT OF LEASES

18106-14
DEC 1 1993 3 49 PM

INTERSTATE COMMERCE COMMISSION

That, **TEXAS RAILCAR LEASING COMPANY**, a Texas corporation, (hereinafter called "Assignor", whether one or more) for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) paid by **FIRST NATIONAL BANK OF SOUTH TEXAS** (hereinafter called "Assignee"), the receipt and sufficiency of which is hereby acknowledged and confessed, and for the purposes of further securing Assignee and any subsequent holder in the payment of the indebtedness evidenced by that certain promissory note dated January 8, 1993, executed by Assignor, payable to the order of Assignee, in the principal sum of \$192,400.00, said Note and indebtedness being more fully described in and secured by a Security Agreement dated January 8, 1993 executed by Assignee, covering the following described property, to-wit:

Twenty-six (26) 100 ton, 2929 cubic feet, 3 pocket, Covered Top Hopper Railcars, numbered 5279-5304 (inclusive).

Assignor does hereby grant, transfer, assign and set over to Assignee, its successors and assigns, all of the right, title and interest of Assignor in and to all rents, royalties, income, issues, profits, revenues, rights and benefits of and from the above described property and to that end Assignor grants, transfers, assigns and sets over unto Assignee, its successors and assigns, all leases and rental agreements of any kind affecting said property now made, executed or delivered, whether written or oral, including but not limited to: that certain Master Lease Agreement, No. 92/0005, dated November 20, 1992 executed by and between **TEXAS RAILCAR LEASING COMPANY** as Lessor, and **PLM REMARKETING SERVICES, INC.** as Lessee, together with all riders thereto; a true and correct copy of said Master Lease Agreement is attached hereto as **Exhibit "A"** and incorporated herein for all purposes.

This assignment shall include any and all leases or rental agreements that may now be in effect, as well as any future, other or additional leases or rental agreements, and any renewals or extensions of such leases or rental agreements, that may be entered into by Assignor for the lease or rental of the property hereinabove described, or any part thereof, and Assignor herein agrees to execute and deliver such other and further assignments of said leases or rental agreements as the Assignee herein may hereafter require.

THE STATE OF TEXAS
COUNTY OF STARR
THIS IS TO CERTIFY THAT THE FOREGOING INSTRUMENT
IS A TRUE AND CORRECT COPY OF THE ORIGINAL.

BY: 
LARRY GONZALEZ, EXEC. VICE PRESIDENT

RESERVING, HOWEVER, unto Assignor, a license to collect and retain the rentals as they become due, but not in advance, under the aforesaid leases or rental agreements so long as there is no default in any of the terms, covenants or provisions of said Note or obligation of any security instrument securing payment of said Note, or of this instrument. In the event of any such default Assignee is hereby empowered to collect the rents, income and profits which are yet uncollected by Assignor under said leases or rental agreement and apply the net amount of same, after payment of all charges, expenses and fees, on account of the indebtedness for which this assignment is security. Further, Assignee may, at its option, take possession of the property, or any part thereof, and exercise all rights and privileges of Assignor thereunder including the right to let or re-let the property, or any part thereof, and to collect the rents, income and profits under such new lease in accordance with the foregoing. Assignee shall only be accountable for money actually received pursuant to this assignment.

Assignor hereby appoints Assignee as its agent whereby said Assignee may, upon any default under the said Note, or any other instruments given to secure payment of said Note, at its election, perform any of Assignor's obligations to any lessee(s) under any of said lease(s), exercise any of Assignor's rights, powers or privileges under said lease(s), and modify in any respect said lease(s). All obligations created by the exercise of such agency or authority shall be those of Assignor and not those of Assignee except as otherwise provided herein.

Notwithstanding the above granted power whereby Assignee may perform any of Assignor's obligations as Assignor's agent, Assignee may, at its election, subsequent to any default of Assignor under the said Note, Deed of Trust or other instruments given to secure the Note, and by the giving of written notice to Assignor, assume any of the obligations of Assignor or its assigns to the lessees under said leases.

Whether Assignee acts as agent of Assignor (in performance of Assignor's obligations) or under an express assumption of Assignor's obligations, or in the exercise of any of the rights, powers or privileges accorded Assignee hereunder, Assignor shall promptly reimburse Assignee for any expenses or liabilities incurred. Furthermore, a failure to reimburse Assignee shall constitute a default under this instrument

whereby the Assignee may apply all rents, income or profits as they become due as well as all past due yet uncollected rents, income or profits towards the payment of such expenses. Furthermore, the above mentioned rents, income or profits shall be first applied towards the payment of such expenses whether or not any other debts secured by this instrument have first accrued.

The rights and remedies of Assignee under this instrument are cumulative, are not in lieu of but are in addition to, and their exercise or the failure to exercise them shall not constitute a waiver of any other rights and remedies which the Assignee shall have under said Note or obligation and security instruments securing payment of same. The rights and remedies of Assignee hereunder may be exercised from time to time and as often as such exercise is deemed expedient by Assignee.

Except as otherwise provided herein this assignment shall not operate to place responsibility for the control, care, management or repair of said property upon Assignee, nor for the carrying out of any of the terms and conditions of said leases unless such responsibility is specifically assumed by Assignee in writing; nor shall it operate to make Assignee responsible or liable for any waste committed on or to the property by a lessee or any other party, or for any dangerous or defective condition of the property, or for any negligence in the management, upkeep, repair or control of said property, resulting in loss or injury or death to any lessee, licensee, employee or stranger. Assignor agrees to indemnify and hold Assignee harmless of and from any and all liability, loss or damage which Assignee may incur under said leases by reason of this instrument, and of and from any and all claims and demands whatsoever which may be asserted against Assignee by reason of any alleged obligation on undertaking to be performed or discharged by Assignee under said leases or this instrument. Except as otherwise expressly stated nothing herein contained shall be construed to bind Assignee to the performance of any of the terms and provisions contained in said leases, or otherwise to impose any obligation on Assignee, including, without limitation, any liability under the covenant of quiet enjoyment contained in said leases in the event that any lessee shall have been joined as party defendant in any action to foreclose Assignee's security interests, and shall have been barred and foreclosed thereby of all right, title and interest and equity of redemption in said property.

No security deposited by a lessee with Assignor under the terms of any lease hereby assigned has been transferred to Assignee, and Assignee assumes no liability for any security so deposited.

Assignor covenants and warrants to Assignee that to the best of its knowledge the terms of any leases heretofore submitted to Assignee embody the entire agreements now existing between Assignor and any lessees under such lease; that all conditions precedent to the effectiveness of such leases have been satisfied; that Assignor has not executed or granted any modification whatever of any of said leases, either orally or in writing, and said leases, if any, are in full force and effect according to the terms set forth in any lease instruments heretofore submitted to Assignee; and that Assignor has not executed any other instrument which might prevent Assignee from operating under any of the terms and conditions of this assignment.

Assignor further covenants not to breach or commit an act of default under said leases or to cancel, accept, surrender or terminate said leases, or any of them, except in the ordinary course of business, or change, alter or modify the same or accept prepayment of rent to become due thereunder or make any subsequent assignment, sub-letting or subordination of the interest of lessees in said leases or any of them, without prior written consent of Assignee, and which such consent shall not be unreasonably withheld or delayed.

Upon payment in full of the entire indebtedness secured hereby as evidenced by the filing of a termination or release statement with the Office of the Secretary of State of Texas, this assignment shall be void and of no effect and no instrument of re-assignment, release or satisfaction of this assignment shall be necessary.

Words of any gender used herein shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

All covenants and agreements herein contained shall extend to and inure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the parties hereto.

DATED this 20th day of January, 1993.

ASSIGNEE:

FIRST NATIONAL BANK OF SOUTH TEXAS

By: _____

STATE OF TEXAS }

COUNTY OF BEXAR }

ASSIGNOR:

TEXAS RAILCAR LEASING COMPANY

_____ *Henry Novell*

This instrument was acknowledged before me on the 20th day of January, 1993, by Larry
Gonzalez, the Exec. V Pres. of FIRST NATIONAL BANK OF SOUTH TEXAS on behalf
of THE FIRST NATIONAL BANK OF SOUTH TEXAS.



ESMERALDA MUNOZ
Notary Public State of Texas
My Comm. Exp. 10-05-96

STATE OF TEXAS }

COUNTY OF BEXAR }

_____ *Esmeralda Munoz*
Notary Public, State of Texas

This instrument was acknowledged before me on the 20th day of January, 1993, by Henry
Novell, the President of TEXAS RAILCAR LEASING COMPANY on behalf of
TEXAS RAILCAR LEASING COMPANY.



ESMERALDA MUNOZ
Notary Public State of Texas
My Comm. Exp. 10-05-96

_____ *Esmeralda Munoz*
Notary Public, State of Texas

TEXAS RAILCAR LEASING COMPANY

1901 Locust City Tower • P.O. Box 1330 • McAllen, Texas 78501-1330
(512) 669-2233 FAX: (512) 669-2235

MASTER LEASE AGREEMENT

NO. 92/0005

THIS MASTER LEASE AGREEMENT DATED AS OF THE 20TH DAY OF NOVEMBER, 1992 (THE "AGREEMENT"), BY AND BETWEEN TEXAS RAILCAR LEASING COMPANY, A TEXAS CORPORATION ("LESSOR") AND PLM REMARKETING SERVICES, INC., A CALIFORNIA CORPORATION ("LESSEE").

WITNESSETH:

1. LEASE. LESSOR AGREES TO FURNISH AND LEASE TO LESSEE, AND LESSEE AGREES TO ACCEPT AND USE UPON THE TERMS AND CONDITIONS HEREIN SET FORTH, THE CARS COVERED BY THE RIDERS ATTACHED HERETO AND SUCH ADDITIONAL RIDERS AS MAY BE ADDED HERETO FROM TIME TO TIME BY AGREEMENT OF THE PARTIES, AND ANY AND ALL OTHER CARS DELIVERED TO AND ACCEPTED BY LESSEE.

2. DELIVERY. LESSOR AGREES TO DELIVER THE CARS TO LESSEE AT SUCH POINT OR POINTS AS MAY BE AGREED TO BY THE PARTIES. LESSOR'S OBLIGATION AS TO SUCH DELIVERY SHALL BE EXCUSED DURING THE PENDENCY OF DELAYS RESULTING FROM CAUSES BEYOND ITS CONTROL. LESSEE AGREES TO USE THE CARS EXCLUSIVELY IN ITS OWN SERVICE AND NONE OF THE CARS SHALL BE SHIPPED BEYOND THE BOUNDARIES OF CANADA OR THE UNITED STATES EXCEPT WITH THE PRIOR WRITTEN CONSENT OF LESSOR.

3. RENT. LESSEE AGREES TO PAY THE RENTAL CHARGES WITH RESPECT TO EACH OF THE CARS FROM THE DATE OF DELIVERY THEREOF AND UNTIL SUCH CAR IS RETURNED TO AND ACCEPTED BY LESSOR. EACH MONTHLY RENTAL CHARGE SHALL BE PAID IN ADVANCE ON THE FIRST DAY OF THE MONTH, PRORATING, HOWEVER, ANY PERIOD WHICH IS LESS THAN A FULL MONTH ON THE BASIS OF A MONTH OF THIRTY (30) DAYS. THE RENTAL SHALL BE PAYABLE WITHOUT DEDUCTION, REDUCTION, SET-OFF OR COUNTERCLAIM OF ANY KIND, FOR ANY REASON, EXCEPT AS PERMITTED IN THIS AGREEMENT. SUCH RENTAL CHARGES SHALL BE PAID TO LESSOR AT THE ADDRESS SET FORTH ON THE MONTHLY INVOICES.

4. ACCEPTANCE. EACH OF THE CARS SHALL BE SUBJECT TO LESSEE'S INSPECTION UPON DELIVERY TO LESSEE. FAILURE TO REPORT ANY DEFECT IN THE CAR WITHIN A REASONABLE TIME AFTER DELIVERY OF THE CAR OR THE LOADING OF EACH SUCH CAR BY LESSEE OR AT ITS DIRECTION SHALL CONSTITUTE ACCEPTANCE THEREOF BY LESSEE AND SHALL BE CONCLUSIVE EVIDENCE OF THE FIT AND SUITABLE CONDITION THEREOF FOR THE PURPOSE OF TRANSPORTING THE COMMODITIES THEN AND THEREAFTER LOADED THEREIN OR THEREON.

5. MILEAGE ALLOWANCES. LESSEE AGREES TO PROMPTLY FURNISH LESSOR ON A MONTHLY BASIS WITH COMPLETE REPORTS OF THE CAR MOVEMENTS, INCLUDING DATES RECEIVED, LOADED AND SHIPPED, COMMODITY, DESTINATION AND FULL JUNCTION ROUTING, AND ALL INFORMATION WHICH LESSEE MAY RECEIVE FROM RAILROAD COMPANIES OR OTHER SOURCES WHICH MAY BE OF USE TO LESSOR. SUBJECT TO THE RECEIPT OF SUCH REPORTS, LESSOR SHALL COLLECT THE MILEAGE ALLOWANCES EARNED BY THE CARS, AND, SUBJECT TO ALL RULES OF THE TARIFFS OF THE RAILROADS, AND PROVIDED LESSEE HAS MADE ALL PAYMENTS DUE HEREUNDER, LESSOR SHALL PAY TO LESSEE SUCH MILEAGE ALLOWANCES AS AND WHEN RECEIVED FROM THE RAILROADS, INCLUSIVE OF ALL MILEAGE ALLOWANCES, IF ANY, WHICH ARE IN EXCESS OF THE RENTALS PAYABLE TO LESSOR. EACH MONTH, LESSOR SHALL DELIVER TO LESSEE A COPY OF THE MILEAGE EARNINGS STATEMENTS RECEIVED FROM THE RAILROADS SUPPORTING THE MILEAGE ALLOWANCE PAYMENT.



6. EMPTY MILEAGE CHARGES. LESSEE AGREES TO REIMBURSE LESSOR FOR ANY PAYMENT LESSOR MAY BE REQUIRED TO MAKE TO ANY RAILROAD, DUE TO MILEAGE EQUALIZATION WHERE APPLICABLE, RESULTING FROM EXCESS EMPTY MILEAGE INCURRED BY THE CARS ON SUCH RAILROAD. FOR THE PURPOSE OF THIS PARAGRAPH, THE RAILROAD MILEAGE AND JUNCTION REPORTS SHALL BE PRIMA FACIE EVIDENCE OF THE FACTS REPORTED THEREIN. IN ADDITION, IF LESSOR IS REQUIRED TO MAKE ANY PAYMENTS TO A RAILROAD RESULTING FROM THE EMPTY MOVEMENT OF ANY OF THE CARS WHILE THEY ARE IN LESSEE'S SERVICE, LESSEE AGREES TO REIMBURSE LESSOR FOR SUCH PAYMENTS.

7. REPAIRS. LESSOR SHALL PAY FOR ALL MAINTENANCE AND REPAIRS NECESSARY TO KEEP THE CARS IN GOOD CONDITION AND REPAIR UNDER THE INTERCHANGE RULES OF THE ASSOCIATION OF AMERICAN RAILROADS ("INTERCHANGE RULES") AND PERFORMED BY RAILROADS SUBSCRIBING TO THE INTERCHANGE RULES. LESSEE SHALL NOT REPAIR, OR AUTHORIZE THE REPAIR OF, ANY OF THE CARS WITHOUT LESSOR'S PRIOR WRITTEN CONSENT. IF ANY CAR BECOMES UNFIT FOR SERVICE DUE TO NORMAL WEAR AND TEAR AND REQUIRES SHOPPING FOR REPAIRS, LESSEE SHALL IMMEDIATELY NOTIFY LESSOR AND SHALL REQUEST SHOPPING INSTRUCTIONS. RENTAL CHARGES WILL CEASE FIVE (5) DAYS AFTER RECEIPT OF SUCH CAR AT A SHOP AUTHORIZED BY LESSOR. AFTER A CAR HAS BEEN REPAIRED, RENTAL CHARGES WILL RESUME ON THE DATE THE CAR IS AVAILABLE FOR FORWARDING TO LESSEE. IT IS UNDERSTOOD THAT NO RENTAL CREDITS WILL BE ISSUED FOR CARS IN A SHOP FOR REPAIRS WHICH ARE LESSEE'S RESPONSIBILITY.

8. REMOVAL FROM SERVICE. IN THE EVENT THE PHYSICAL CONDITION OF ANY CAR SHALL BECOME SUCH THAT THE CAR CANNOT BE OPERATED IN RAILROAD SERVICE AS DETERMINED BY LESSOR AND LESSOR ELECTS TO PERMANENTLY REMOVE SUCH CAR FROM LESSEE'S SERVICE, THE RENTAL WITH RESPECT TO SUCH CAR SHALL TERMINATE UPON THE REMOVAL OF SUCH CAR. LESSOR SHALL HAVE THE RIGHT, BUT SHALL NOT BE OBLIGATED, TO SUBSTITUTE FOR ANY SUCH CAR ANOTHER CAR OF THE SAME TYPE AND CAPACITY AND THE RENTAL IN RESPECT TO SUCH SUBSTITUTED CAR SHALL COMMENCE UPON DELIVERY OF SUCH SUBSTITUTED CAR TO LESSEE.

9. LESSEE RESPONSIBILITY. LESSEE SHALL BE RESPONSIBLE FOR AND SHALL INDEMNIFY LESSOR AND HOLD LESSOR HARMLESS AND DOES HEREBY RELEASE LESSOR FROM THE LOSS OR DESTRUCTION OF, OR DAMAGE TO, THE CARS OR ANY PARTS THEREOF, DURING THE TERM; PROVIDED, HOWEVER, LESSEE SHALL NOT BE RESPONSIBLE TO THE EXTENT THE THEN-PREVAILING INTERCHANGE RULES PLACE RESPONSIBILITY UPON A RAILROAD SUBSCRIBING TO THE INTERCHANGE RULES; AND PROVIDED, FURTHER, THAT LESSEE SHALL NOT BE RESPONSIBLE IF SUCH LOSS, DESTRUCTION, OR DAMAGE TO THE CARS OR PARTS THEREOF WAS CAUSED BY THE NEGLIGENCE OR WILLFUL MISCONDUCT OF LESSOR. NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, LESSEE SHALL BE RESPONSIBLE FOR AND SHALL INDEMNIFY LESSOR AND HOLD LESSOR HARMLESS AND DOES HEREBY RELEASE LESSOR FROM THE LOSS OR DESTRUCTION OF, OR DAMAGE TO, A CAR OR ANY PART THEREOF DURING THE TERM OF THIS AGREEMENT WHICH SHALL (i) BE OCCASIONED BY THE MISUSE OR NEGLIGENCE OF LESSEE, ITS CONSIGNEE, AGENT OR SUBLESSEE, (ii) OCCUR WHILE SUCH CAR IS ON THE TRACKS OF LESSEE OR ANY PRIVATE SIDING OR TRACK, OR AT THE LOADING OR UNLOADING FACILITY OF LESSEE OR ITS CONSIGNEE, AGENT OR SUBLESSEE, OR ON THE TRACK OF ANY RAILROAD THAT DOES NOT SUBSCRIBE TO THE INTERCHANGE RULES OR ANY PRIVATE OR INDUSTRIAL RAILROAD OR (iii) BE CAUSED BY ANY COMMODITY WHICH MAY BE TRANSPORTED OR STORED IN OR ON SUCH CAR.

LESSEE SHALL NOTIFY LESSOR OF THE LOSS OR DESTRUCTION OF ANY OF THE CARS WITHIN TWO (2) DAYS OF THE DATE OF SUCH EVENT. THE AMOUNT OF LOSS RESULTING FROM THE LOSS OR DESTRUCTION OF A CAR SHALL BE EQUAL TO ITS DEPRECIATED VALUE UNDER THE INTERCHANGE RULES AS DETERMINED IMMEDIATELY PRIOR TO THE TIME OF SUCH LOSS OR DESTRUCTION.

10. LOSS OR DAMAGE TO LADING. LESSOR SHALL NOT BE LIABLE FOR ANY LOSS OF OR DAMAGE TO COMMODITIES, OR ANY PART THEREOF, LOADED OR SHIPPED IN OR ON THE CARS, AND LESSEE AGREES TO ASSUME FINANCIAL RESPONSIBILITY FOR, TO INDEMNIFY LESSOR AGAINST, AND TO SAVE IT HARMLESS FROM ANY SUCH LOSS OR DAMAGE.

11. APPLIANCES. LESSEE, AT ITS OWN EXPENSE, SHALL EITHER REPLACE OR REIMBURSE LESSOR FOR THE COST OF REPLACING ANY APPLIANCE OR REMOVABLE PART (INCLUDING, BUT NOT LIMITED TO, SAFETY APPLIANCES, GATES; HATCH COVERS; DOME LID; DOME HOUSING AND GASKET; THERMOMETER WELL; GAUGING DEVICE; TEST TUBE; SIPHON LINES; OUTLET VALVE, CAP AND GASKET; SAFETY, AIR INLET, ANGLE AND CHECK VALVES AND GASKETS), IF DESTROYED, LOST, REMOVED OR STOLEN, UNLESS THE RAILROADS TRANSPORTING THE CARS HAVE ASSUMED FULL RESPONSIBILITY FOR SUCH LOSS OR DAMAGE, OR UNLESS SUCH LOSS OR DAMAGE RESULTS FROM THE NEGLIGENCE OR OMISSION OF LESSOR, ITS AGENTS OR EMPLOYEES.

12. CLAIMS. LESSEE AGREES TO INDEMNIFY AND HOLD LESSOR HARMLESS FROM AND AGAINST ANY LOSS, LIABILITY, CLAIM, DAMAGE OR EXPENSE (INCLUDING, UNLESS LESSEE ASSUMES THE DEFENSE, THE REASONABLE COST OF INVESTIGATING AND DEFENDING AGAINST ANY CLAIM FOR DAMAGES) ARISING OUT OF OR IN CONNECTION WITH THE USE OF THE CARS DURING THE TERM OF THIS AGREEMENT, EXCEPTING, HOWEVER, ANY LOSS, LIABILITY, CLAIM, DAMAGE, OR EXPENSE WHICH ACCRUES WITH RESPECT TO ANY OF THE CARS (i) WHILE SUCH CAR IS IN A REPAIR SHOP UNDERGOING REPAIRS; (ii) WHICH IS ATTRIBUTABLE TO THE NEGLIGENCE OR OMISSION OF LESSOR, ITS AGENTS OR EMPLOYEES OR (iii) FOR WHICH A RAILROAD OR RAILROADS HAVE ASSUMED FULL RESPONSIBILITY, INCLUDING INVESTIGATING AND DEFENDING AGAINST ANY CLAIM FOR DAMAGES.

13. MARKS. NO LETTERING OR MARKING OF ANY KIND SHALL BE PLACED UPON ANY OF THE CARS BY LESSEE EXCEPT WITH THE PRIOR WRITTEN CONSENT OF LESSOR.

14. SUBLEASE AND ASSIGNMENT. LESSOR RECOGNIZES THAT IT IS THE INTENTION OF LESSEE TO SUBLEASE THE CARS TO A THIRD PARTY OR PARTIES WITHOUT FURTHER NOTICE TO LESSOR.

15. DEFAULT. IF LESSEE SHALL FAIL TO PERFORM ANY OF ITS OBLIGATIONS HEREUNDER, LESSOR AT ITS ELECTION MAY EITHER (A) TERMINATE THIS AGREEMENT IMMEDIATELY AND REPOSSESS THE CARS, OR (B) WITHDRAW THE CARS FROM THE SERVICE OF LESSEE AND DELIVER THE SAME, OR ANY THEREOF, TO OTHERS UPON SUCH TERMS AS LESSOR MAY SEE FIT. IF LESSOR SHALL ELECT TO PROCEED IN ACCORDANCE WITH CLAUSE (B) ABOVE AND IF LESSOR DURING THE BALANCE OF THE TERM OF THIS AGREEMENT SHALL FAIL TO COLLECT FOR THE USE OF THE CARS A SUM AT LEAST EQUAL TO ALL UNPAID RENTALS HEREUNDER TO THE STATED DATE OF TERMINATION HEREOF PLUS AN AMOUNT EQUAL TO ALL EXPENSES OF WITHDRAWING THE CARS FROM THE SERVICE OF LESSEE AND COLLECTING THE EARNINGS THEREOF, LESSEE AGREES TO PAY FROM TIME TO TIME UPON DEMAND BY LESSOR THE AMOUNT OF ANY SUCH DEFICIENCY. IT IS EXPRESSLY UNDERSTOOD THAT LESSOR AT ITS OPTION MAY TERMINATE THIS AGREEMENT IN THE EVENT THAT A PETITION IN BANKRUPTCY OR A PETITION FOR A TRUSTEE OR RECEIVER BE FILED BY OR AGAINST LESSEE OR IN THE EVENT THAT LESSEE SHALL MAKE AN ASSIGNMENT FOR CREDITORS.

16. RETURN PROVISIONS. UPON THE TERMINATION OF EACH RIDER, LESSEE AGREES TO RETURN THE CARS TO LESSOR AT A POINT OR POINTS SPECIFIED ON THE RIDER (OR SUCH OTHER POINTS MUTUALLY AGREEABLE TO LESSEE AND LESSOR), IN THE SAME OR AS GOOD CONDITION AS RECEIVED, ORDINARY WEAR AND TEAR EXPECTED, FREE AND CLEAR FROM

ALL ACCUMULATIONS OR DEPOSITS FROM COMMODITIES TRANSPORTED IN OR ON THE CARS WHILE IN THE SERVICE OF LESSEE. IF ANY CAR IS NOT RETURNED TO LESSOR FREE FROM SUCH ACCUMULATIONS OR DEPOSITS, LESSEE SHALL REIMBURSE LESSOR FOR ANY EXPENSE INCURRED IN CLEANING SUCH CAR AND RENT SHALL CONTINUE TO ACCRUE UNTIL THE CAR IS SO CLEANED.

17. TAXES. ALL TAXES PAYABLE ON ACCOUNT OF OR MEASURED BY THE RENTAL PAID OR THE USE OF SUCH CARS (EXCLUDING ANY TAX WHICH IS BASED SOLELY UPON OR MEASURED SOLELY BE LESSOR'S NET INCOME) SHALL BE THE RESPONSIBILITY OF LESSEE. IN THE EVENT ANY TAXES OR ASSESSMENTS, OTHER THAN THOSE PAYABLE ON ACCOUNT OF OWNERSHIP, ARE LEVIED AGAINST THE CARS OR THE RENTAL PAID FOR THE USE OF THE CARS COVERED BY ANY RIDER TO THIS AGREEMENT BY ANY FEDERAL, STATE, PROVINCIAL OR LOCAL AUTHORITY, IN ADDITION TO THOSE TAXES OR ASSESSMENTS IN EFFECT ON THE EFFECTIVE DATE OF SUCH RIDER, LESSEE AGREES TO PAY TO LESSOR, IN ADDITION TO ANY OTHER AMOUNTS DUE, A SUM EQUAL TO THE AMOUNT OF ANY SUCH TAXES OR ASSESSMENTS.

18. NOTICES. ANY NOTICE, DEMAND OR REQUEST REQUIRED OR PERMITTED TO BE MADE, GIVEN OR SERVED BY EITHER PARTY TO OR UPON THE OTHER HEREUNDER SHALL BE IN WRITING AND SHALL BE DEEMED TO HAVE BEEN MADE WHEN DEPOSITED IN THE UNITED STATES OR CANADA MAIL, CERTIFIED OR REGISTERED MAIL, POSTAGE PREPAID AND ADDRESSED TO LESSOR OR LESSEE AT THE ADDRESS SET FORTH IN A RIDER TO THIS AGREEMENT.

19. SUCCESSORS. THIS AGREEMENT SHALL BE BINDING UPON THE PARTIES HERETO, THEIR RESPECTIVE SUCCESSORS, ASSIGNS AND LEGAL REPRESENTATIVES; AND SHALL REMAIN IN FULL FORCE AND EFFECT FROM THE DATE HEREOF UNTIL THE COMPLETION OF THE LEASING ARRANGEMENT SHOWN ON ATTACHED RIDERS OF THE LAST CAR OR CARS HEREUNDER, AND ALL SUCH CARS ARE RETURNED TO LESSOR.

20. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, HIDALGO COUNTY.

21. INSURANCE. LESSEE SHALL AT ALL TIMES PRIOR TO THE RETURN OF THE CARS TO LESSOR IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT AND DURING ANY STORAGE PERIOD, AT ITS OWN EXPENSE, CAUSE TO BE CARRIED AND MAINTAINED PUBLIC LIABILITY AND PROPERTY DAMAGE INSURANCE IN RESPECT OF THE CARS AGAINST THE RISKS AND IN THE AMOUNTS, IF ANY, CUSTOMARILY INSURED AGAINST BY LESSEE IN RESPECT TO SIMILAR EQUIPMENT OWNED OR LEASED BY IT.

22. ADDITIONAL PROVISIONS. ADDITIONAL PROVISION OF THIS AGREEMENT MAY BE SET FORTH IN A RIDER, WHICH, IF EXECUTED BY LESSOR AND LESSEE, IS INCORPORATED HEREIN BY THIS REFERENCE.

23. MODIFICATIONS. IN THE EVENT THE U.S. DEPARTMENT OF TRANSPORTATION, OR ANY OTHER GOVERNMENTAL AGENCY OR NON-GOVERNMENTAL ORGANIZATION HAVING JURISDICTION OVER THE OPERATION, SAFETY OR USE OF RAILROAD EQUIPMENT, REQUIRES THAT LESSOR ADD, MODIFY, OR IN ANY MANNER ADJUST THE CARS SUBJECT TO THIS AGREEMENT IN ORDER TO QUALIFY THEM FOR OPERATION IN RAILROAD INTERCHANGE, LESSEE AGREES TO PAY AN ADDITIONAL MONTHLY CHARGE OF \$1.75 PER CAR FOR EACH \$100 EXPENDED BY LESSOR ON SUCH CAR, OR SUCH OTHER MONTHLY CHARGE IN LIEU THEREOF, AS MAY BE PROVIDED FOR MODIFICATIONS, IN ANY RIDER HERETO, IN ANY CASE, EFFECTIVE AS OF THE DATE THE CAR IS RELEASED FROM THE SHOP AFTER APPLICATION OF SUCH ADDITIONS, MODIFICATIONS OR, ADJUSTMENTS

bm

(HEREINAFTER THE "MODIFICATIONS"). NO RENTAL CREDITS WILL BE ISSUED ON CARS ENTERING THE SHOP FOR ANY MODIFICATIONS FOR THE FIRST THIRTY (30) DAYS. IN THE EVENT LESSOR, IN ITS SOLE DISCRETION, DETERMINES, PRIOR TO MAKING ANY MODIFICATIONS, THAT THE COST THEREOF IS NOT ECONOMICAL TO EXPEND IN VIEW OF THE ESTIMATED REMAINING USEFUL LIFE OF SUCH CAR, AND LESSOR ELECTS TO PERMANENTLY REMOVE SUCH CAR FROM LESSEE'S SERVICE RATHER THAN HAVE SUCH CAR TAKEN TO A CAR SHOP FOR SUCH MODIFICATIONS, THE RENTAL WITH RESPECT TO SUCH CAR SHALL TERMINATE UPON THE DATE SPECIFIED IN WRITING BY LESSOR, PROVIDED THAT SUCH DATE MUST BE PRIOR TO THE DATE THE MODIFICATIONS ARE SO REQUIRED TO BE MADE.

24. CAPTIONS. CAPTIONS TO ANY PROVISIONS OF THIS AGREEMENT ARE FOR EASE OF REFERENCE ONLY AND ARE NOT TO BE CONSTRUED TO BE PART OF THIS AGREEMENT.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE DULY EXECUTED THIS AGREEMENT (SUCH EXECUTION MAY BE BY TWO OR MORE COUNTERPARTS, EACH OF WHICH SHALL BE DEEMED AN ORIGINAL) THE DAY AND YEAR FIRST ABOVE WRITTEN.

LESSEE:
PLM REMARKETING SERVICES, INC.

BY: *Douglas P. Goodrich*
DOUGLAS P. GOODRICH

TITLE: PRESIDENT

LESSOR:
TEXAS RAILCAR LEASING COMPANY

BY: *Henry Novell*
HENRY NOVELL

TITLE: PRESIDENT

ATTEST: *James L. Brewster*

ATTEST: *PO Young*

TEXAS RAILCAR LEASING COMPANY

1207 First City Tower
(512) 630-1111

P.O. Box 1330

McAllen, Texas 78505-1330
FAX (512) 630-1111

RIDER NO. 0001

DATED AS OF NOVEMBER 20TH, 1992

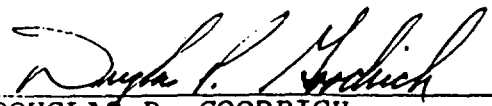
TO MASTER LEASE AGREEMENT NO 92/0005

- I. NUMBER OF CARS: TWENTY SIX (26)
- II. DESCRIPTION OF CARS: 2929 CU. FT. COVERED TOP HOPPER CARS
TRLX 5279 THRU 5304.
- III. TERM: THREE (3) YEARS
- IV. RENTAL RATE: TWO HUNDRED NINETY FIVE DLLS NO/100 (\$295.00)
PER CAR PER MONTH.
- V. ANTICIPATED DELIVERY PERIOD: NOVEMBER 20, 1992 APPROXIMATE.
- VI. PLACE OF DELIVERY: MOBILE, ALABAMA.
- VII. COST OF DELIVERY TO BE BORNE BY: TEXAS RAILCAR LEASING CO.
(LESSOR)
- VIII. THE CARS MAY BE USED ONLY FOR THE TRANSPORTATION OF THE
FOLLOWING TYPES OF COMMODITIES: RUTILE.
- IX. SPECIAL ITEMS: PARAGRAPH 7. RENTAL CHARGES WILL CEASE UPON
RECEIPT OF SUCH CAR AT A SHOP AUTHORIZED BY LESSOR.
PARAGRAPH 9. LESSEE ASSUMES THE RESPONSIBILITY FOR
MAINTENANCE AND REPAIRS FOR OUTLET GATES AND ROOF HATCHES.
- X. ADDRESSING OF NOTICES: (SEE BELOW)
- XI. RETURN OF CARS: UPON TERMINATION OF LEASE, CARS ARE TO BE
RETURNED TO TEXAS RAILCAR LEASING COMPANY IN BROWNSVILLE,
TEXAS.

LESSOR TO LESSEE:

PLM REMARKETING SERVICES, INC.
10 SOUTH RIVERSIDE PLAZA
SUITE 1210
CHICAGO, IL. 60606
ATTN: DOUGLAS P. GOODRICH

BY:


DOUGLAS P. GOODRICH

TITLE: PRESIDENT

LESSEE TO LESSOR:

TEXAS RAILCAR LEASING CO.
1207 FIRST CITY BANK TWR.
P.O. BOX 1330
MCALLEN, TEXAS 78505-1330
ATTN: MR. HENRY NOVELL

BY:


HENRY NOVELL

TITLE: PRESIDENT

DECEMBER 30, 1992

MR. HECTOR SERNA, XEC. VICE PRES.
FIRST NATIONAL BANK
CENTRAL LENDING
750 E. MAULBERRY STREET
SAN ANTONIO, TEXAS 78212

RE: PLM CONTRACT

MR. HECTOR SERNA,

RE: THE PLM REMEDIATION SERVICES CONTRACT (PRO)

IF YOU HAVE ANY QUESTIONS, PLEASE REFER TO

MY OFFICE

SINCERELY,

THEODORE NOVELL

PRESIDENT

PLM CONTRACT